

February 17, 2004

A regular meeting of the Redmond City Council was called to order by Mayor Rosemarie Ives at 7:30 p.m. in the Council Chambers. Councilmembers present were: Cole, Marchione, McCormick, Paine, Resha, Robinson, and Vache.

#### REMEMBRANCE

The Mayor called for a moment of silence in remembrance of Police Lt. John Miner, and Russ Howard, Traffic Signal Technician, whose lives were lost in an avalanche in the Canadian Rockies.

#### RECOGNITION

The Mayor and Lt. Tom Langton, Public Information Officer, Fire Department, presented a certificate commending Joshua Wurmnest for his actions on January 14, 2004, when he was visiting his parents' home at the Bel-Aire Apartments. Lt. Langton said Mr. Wurmnest heard the fire alarm go off in the building and discovered smoke coming up the stairwell from the lower floor. Lt. Langton continued that Mr. Wurmnest averted a potential disaster by getting the residents out of the building, finding a fire extinguisher in the stairwell and extinguishing the stovetop fire. Lt. Langton concluded the fire was extinguished three or four minutes before the fire truck arrived.

#### ITEMS FROM THE AUDIENCE

Camron Parker, 10240 132 Avenue NE, Kirkland 98033, Eastside Human Service Alliance board member, which represents over 40 human service providers, commended Redmond staff for their efforts, particularly Carolyn Maxim and Lauren Kirby, Human Services Division. He distributed to the Council a publication entitled "*The Real Eastside, All is Not Well in the Land of Plenty*", developed by the Alliance when it worked to determine critical human service needs on the Eastside. He said the pamphlet dispels the myth that Eastside communities do not have human service needs.

The Mayor announced that Councilmember Vache will be joining the Eastside Human Services Forum representing local governments.

#### CONSENT AGENDA

Motion by Ms. McCormick, second by Mr. Cole, to approve the following items of the Consent Agenda:

- (1) approve the minutes of the regular meeting of February 3, 2004

- (2) approve the following payroll/direct deposit and claims checks:

PAYROLL/DIRECT DEPOSIT CHECKS:

#157597 through 157730; and  
#119743 through 120306     \$1,133,740.45

CLAIMS CHECKS:

#213155 through 213582     \$1,552,743.17

- (4) adopt the findings and conclusions supporting the City Council decision of December 2, 2003 to require access to Heritage Wilshire short plat from NE 40 Street (LO30167-71, 78-79)
- (5) approve Supplemental Engineering Services Agreement No. 5 for Final Design with HDR Engineering, Inc. for \$1,340,660 plus contingencies of \$84,670 for a total of \$1,425,330 for the Water Source Improvements, Project No. 92-CI-62; and authorize the Mayor to sign the agreement
- (6) approve the final contract amount with C.A. Carey, Issaquah, Washington, for the base bid amount of \$3,500,866.00 plus change orders and bid item quantity increases and decreases resulting in a final contract amount of \$3,937,662.19; and accept construction of the West Lake Sammamish Parkway Improvements - Marymoor Way to Leary Way, Project No. 99-CI-20, as of February 17, 2004
- (7) approve sanitary sewer service outside the city limits to Brian and Stephanie Aleshire, 7803 - 134 Avenue NE, via a new side sewer connection to an existing eight-inch diameter City of Redmond sanitary main on 134 Avenue NE, subject to the following conditions:  
The Aleshires shall pay their proportionate share of the Conifer Lane Reimbursement Agreement, RA95-002, and the associated connection and inspection fees and sign a "Utility Extension Agreement"

(10a)adopt Ordinance No. 2196,  
establishing a fund to be known as  
the Community Events Fund and  
authorizing expenditures from the  
newly-created fund, which was  
presented and read.

Upon a poll of the Council, Cole,  
Marchione, McCormick, Paine, Resha,  
Robinson and Vache voted aye. Motion  
carried unanimously (7 -0).

Councilmember Cole reported an ombudsman item about ivy on  
West Lake Sammamish Parkway that looks like it is dead. He  
said after checking with staff he learned that it is a  
deciduous strain and will be coming back in the spring.

#### ORDINANCE - 2003-2004 BUDGET ADJUSTMENT

The Mayor, in a memorandum to the Council dated February 17,  
2004, recommended that adjustments be made to the 2003-2004  
Budget in order to establish a budget for the Community  
Events Fund and make associated budget adjustments.

Councilmember Cole said he would vote no because he feels  
the amount of funding for one event is exorbitant.

Ordinance No. 2197, making adjustments to city budgets,  
amending Ordinance Nos. 2144, 2165, 2169, 2178, and 2184,  
was presented and read.

Motion by Ms. McCormick, second by Mr.  
Resha, to adopt Ordinance No. 2197,  
establishing the appropriations for the  
community events programs as reviewed by  
Council for 2004, and making adjustments  
to the general Recreation Activity Fund  
budget by transferring community events  
activities to the new fund. Upon a poll  
of the Council, Marchione, McCormick,  
Paine, Resha, Robinson and Vache voted  
aye. Motion carried (6 - 1), with Cole  
voting nay.

#### FINANCIAL SERVICES CONSULTANT AGREEMENT TO SUPPORT 2004 USER FEE UPDATE

The Mayor, in a memorandum to the Council dated February 17,  
2004, recommended approval of the consultant agreement to  
update the 1997 development review user fee study.

Councilmember Resha was concerned that the process includes  
only one meeting with the stakeholders, and that is at staff

discretion. He said there needs to be some developer input, and he would like to see additional public process before the Council makes a decision on the fee structure.

The Mayor pointed out that the Council would have a study session before it comes back for action.

Motion by Mr. Resha, second by Ms. McCormick, to authorize the Mayor to sign a consultant agreement with Financial Consulting Services Group to update the 1997 development review user fee study, with a proviso that as part of ongoing review there will be a stakeholder process involving the affected parties. Motion carried unanimously (7 - 0).

CONSULTANT AGREEMENT FOR 2005-2006 WATER SEWER RATE STUDIES FOR IN-CITY AND UPD SERVICE AREAS; CONSULTANT AGREEMENT FOR 2005-2006 STORMWATER RATE STUDY

The Mayor, in memorandums to the Council date February 17, 2004, recommended approval of the consultant agreements with Financial Consulting Services Group to conduct water/sewer and stormwater rate studies.

Councilmember Resha stated he pulled these items because his concerns were similar to those he had with the user fee study update. He said his biggest concern is that both of these items have time constraint issues, and the Council memorandums read as if the next step in the process would be Council action. He concluded he respects the time issues, but there needs to be a business process first.

Motion by Ms. McCormick, second by Mr. Marchione, to approve a consulting services agreement with Financial Consulting Services Group for \$54,790 to perform water and sewer rate studies for the in-city and UPD (urban planned developments) service areas; approve the consulting services agreement with Financial Consulting Services Group for \$32,245 to perform a stormwater rate study; and authorize the Mayor to sign the agreements. Motion carried unanimously (7 - 0).

OMBUDSMAN REPORT

Councilmember McCormick received email regarding the NE 116 Street project and developments in that corridor. She said she would meet with the individual next week to discuss her concerns.

ORDINANCE - CITY HALL AND PARKING GARAGE LEASES

The Mayor, in a memorandum to the Council dated February 17, 2004, recommended approval of the ground lease, a lease by Redmond Community Properties back to the city of the new City Hall building and parking facilities and conceptual approval of an identified funding plan as presented at the February 3, 2004 Council meeting.

Motion by Mr. Cole, second by Ms. McCormick, to adopt Ordinance No. 2198, approving the city hall and parking garage leases.

Councilmember Cole said as the city has grown, and with more employees working at multiple leased off campus locations, the current City Hall has outlived its usefulness. He noted the Council looked at various options and decided the best alternative would be to build a new City Hall. Regarding surface parking versus a garage, he concluded he was not in favor of paving over a significant part of the campus, or having employees park at far away offsite locations, and, therefore, supported a garage.

Councilmember McCormick concurred with Councilmember Cole's remarks. She said the project has had a tremendous amount of scrutiny to look at all of the details and develop a vision of the concept of what the City Hall building can be.

Councilmember Paine said he was confident that the new City Hall would be an outstanding building. He said several weeks ago, when it became known that the project was going to cost more than originally planned, the Council studied potential ways to pay for it on an ongoing basis. The city, he explained, will have to dedicate a significant amount of money each year to pay for the new City Hall, but the Council has not yet decided how to make the lease payments. He added that not building the garage and paving over part of the campus for surface parking would make the project cost more manageable, but building the garage is the correct thing to do. He felt that the cost of the project was too much of a "stretch;" the additional funding required to make the debt service payments for the entire project could be used to fund other capital projects or services. He concluded he would reluctantly vote against the ordinance because of its significant fiscal impact on the future of the Redmond community.

The Mayor stated that she would like the Council to act on both the ordinance and the funding plan.

Councilmember Robinson said he would also vote against the ordinance. He said at some point Redmond needs to build a spectacular city hall, but not for, perhaps, ten or fifteen years. In addition, he explained, the city has a number of significant projects in the pipeline that will determine how Redmond will be in the future and that will have a major impact on Redmond and how the city prospers. Financing this large project will have an impact on the city's capital investment program, and on wages and benefits, he noted. He concluded the project has had little public process, in contrast to the outreach the city has undertaken for the Comprehensive Plan and Transportation Master Plan.

Councilmember Marchione said he has looked at the alternatives, the need for the space, the business case, and the process, and concluded the need is there. He acknowledged there will be an impact to the general fund, but in the long term, building a new City Hall is a better alternative. He added the parking garage will support the new City Hall and also the downtown community. He thought the new building and the garage are a complete package. He concluded he would support the motion because building a new City Hall and garage is a more cost-effective option for the city than renting facilities or refurbishing the existing building.

Councilmember Resha said he, too, reviewed all of the documentation and research that has gone into the project. He said the role of the city is to provide services in an efficient fashion. He felt that the business case for owning the building instead of renting has been made. Regarding parking, he stated the city would have to build a garage now or later, and building the garage later would be more expensive. He noted that the city would face some challenges to fund the project, but the guaranteed maximum price will help to keep the project cost contained. He concluded it is a high priority to have the right facilities to deliver services to Redmond residents and, therefore, would support the motion.

Councilmember Vache said the city has been considering a new building for about nine years, and the need is well established. He agreed with Councilmember Paine's concern that the Council needs to have more conversation about how to pay for the project. He also concurred with the remarks that not building the parking garage now is delaying the inevitable.

Councilmember McCormick said the public had opportunities to become involved in the process during the review of the campus master plan at the Technology Center a couple years ago and during the design competition last year to choose the architect. In addition, she concluded, the Focus published two articles inviting people to comment.

Councilmember Robinson said the City Hall Subcommittee was formed in 2001-2002 and was limited to three Councilmembers, so meetings were held without any public announcement. He felt that the public became involved after the decision was made to move ahead. If not for the swimming pool issue, he added, the public would not have known about the City Hall project during the last budget process. He concluded that by proceeding with the City hall project, the city would miss time-sensitive opportunities to pursue the Burlington Northern Railroad right-of-way and road infrastructure projects.

Ordinance No. 2198, approving a ground lease of certain real property from the city to Redmond Community Properties and a lease by Redmond Community Properties back to the city of a new city hall building and related parking facilities to be constructed on such property; authorizing the Mayor to execute final forms of the ground lease and lease; approving certain provisions of the development and financing plan of Redmond Community Properties; agreeing to take unencumbered title to the city hall building and related parking facilities when bonds issued by Redmond Community Properties are retired; and approving certain other provisions of the lease-lease back transaction, was presented and read.

Upon a poll of the Council, Cole, Marchione, McCormick, Resha, and Vache voted aye. Motion carried (5 - 2), with Paine and Robinson voting nay.

The Mayor stated that Attachment B to the Council memorandum includes a conceptual funding plan for the City Hall project that can be used in the development of the 2005-2006 Budget. She reminded the Council that the city's fiscal policies state that at the time a capital project is approved, funding sources should be identified. She requested that the Council address the second part of her recommendation, adoption of a conceptual funding plan.

Motion by Ms. McCormick, second by Mr. Marchione, to conceptually approve Alternative 1 of the conceptual funding plan as outlined on page three of five in Attachment B.

Councilmember Cole thought it was foolhardy to look ahead five or ten or fifteen years to try to guess what issues future Redmond City Councils will face. Also, if the new City Hall was not built and the city continued to lease space, it would have to come up with money for leases from the same revenue sources.

February 17, 2004

Councilmember Robinson stated even if he supported the project he would not support this plan. He said what is being proposed is sound and responsible, but to encumber a future Council is foolish. The funding plan may not be binding, but precedents can become binding and future Councils should have the flexibility to decide how to pay the lease payments, he concluded.

Motion carried (5 - 2) with Cole and Robinson voting nay.

ORDINANCE - INTERIM CONTROL REGULATIONS REGARDING COMMERCIAL SIGNS IN PUBLIC RIGHTS-OF-WAY

This item was postponed to the March 2, 2004 Council meeting.

EXECUTIVE SESSION AND ADJOURNMENT

At 8:45 p.m. the Council held an executive session regarding property acquisition and disposition for approximately 30 minutes. There being no further business to come before the Council, the Mayor declared the meeting adjourned at 9:15 p.m.

---

MAYOR

---

CITY CLERK